



Office of the People's Counsel

2013 Annual Report

NEW HORIZONS!

Ground Breaking
Energy Efficiency
Quality of Service
Dynamic Pricing
Consumer Empowerment
Power Line Undergrounding
Investigation
Reliability
Innovative
Consumer Choice
Renewable Energy
Sustainability
Utility Consumer
Educate
Regulation
Protect
Advocate
Competitive
Investigation
Affordability

Mission Statement

The Office of the People's Counsel is an independent agency of the District of Columbia government. By law, the Office advocates for consumers of natural gas, electric and telephone services in the District of Columbia and represents DC utility ratepayers' interests before the District of Columbia Public Service Commission, Federal Energy Regulatory Commission, Federal Communications Commission, other utility regulatory bodies and the courts. The Office is mandated to conduct consumer education and outreach and may represent individual consumers with complaints related to their utility service and bills.





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Concept Design by Melanie L. Deggins





VINCENT C. GRAY
MAYOR

July 17, 2014

Dear District Residents:

I am proud to present the 2013 Annual Report of the Office of the People's Counsel (OPC).

In 2013 no issue was more central to the utility consumers for whom the Office advocates and educates than the District's recurring struggle with electric service reliability and ending frequent power outages. Throughout the year, my administration reached out to Pepco and other key stakeholders who joined me in a "game changing" Power Line Undergrounding Task Force to develop a funding and implementation model for a first of its kind reliability initiative. Our goal was to assemble a public-private partnership that could work quickly to re-imagine the District's long term electric service future and deliver a plan to achieve a level of service reliability a world class city requires. This is a new horizon for regulatory engagement and OPC has been a key stakeholder from the very start.

As the process of designing a plan to meet the District's immediate and future energy needs evolved, I was able to rely on the Office of the People's Counsel to provide the same unwavering advocacy that has exemplified the agency's service to ratepayers for decades. People's Counsel Sandra Mattavous-Frye responded, unequivocally demanding that the plan not be an unfair burden to ratepayers and that costs remain low. OPC took action by providing technical assistance, conducting an extensive survey of consumers and recommending goals and objectives for an education and outreach plan.

OPC's willingness to think outside of the box was reflected in other key consumer issues. As quickly as new technologies surface, OPC has kept its sights on core consumer priorities as evidenced by the Office's petition for investigation of Verizon's transition from copper wire to fiber optic services. Similarly, through its consumer complaint resolution process, OPC became aware of concerns about competitive energy suppliers. OPC petitioned the Public Service Commission for an investigation and ultimately reached a settlement with Starion, which benefitted the affected consumers and provided a \$100,000 low income



staff performs hands-on energy workshops for consumers and advises lawmakers on various environmental and renewable energy legislative initiatives.

In the coming year, we will move forward as a community to address many utility infrastructure and service issues. I am confident that the Office of the People's Counsel will be there at every step, representing and advocating for the interests of all ratepayers.

Sincerely,

Vincent C. Gray
 Vincent C. Gray
 Mayor



Mayor Vincent C. Gray and members of the Mayor's Power Line Undergrounding Task Force.



Mayor Vincent C. Gray signing the historic Electric Company Infrastructure Improvement Financing Act of 2013.



Dear District of Columbia Utility Consumers,

As People's Counsel, I recognize change in the utility industry is a reality, and I embrace the future. I am equally resolved never to accept change at the expense of the fundamental consumer entitlements that I am sworn to protect — safe, affordable, and reliable utility service. The ultimate challenge is finding balance between these competing interests in order to achieve tangible short- and long-term benefits for consumers.

To these basic entitlements I add my personal principles: Consumer empowerment - the right of all utility consumers to participate in the regulatory process as decisions are being made, affordable and reliable service, and energy-efficiency and sustainability.

Today we face the challenges of building new and rebuilding old infrastructure, utility capital investments, cyber security,

smart-grid deployment, competitive energy supply, distributed energy and dynamic pricing, utility consolidation, and addressing customer expectations that combine to represent a “new horizon” for the utility industry.

The year 2013 has in most respects been a banner year for OPC and consumers. We are on track to meet our goals, shift our paradigms, and bridge the space between the old and the new. OPC, through its traditional advocacy, has saved consumers millions litigating utility rate cases; challenged and defeated a proposed electric rate recovery mechanism that would have shifted financial risks to ratepayers; analyzed Pepco's reliability performance and evaluated Washington Gas Light Company's (“WGL”) pipeline replacement program.

After receiving numerous consumer complaints about the business practices of several competitive energy supply companies operating in the District, we took a novel approach to a traditional problem. We petitioned the Commission to investigate the matter, educated and informed consumers about their rights, and negotiated a global settlement with the provider. The end-result was an unprecedented settlement that addressed the needs of some 500 aggrieved customers and led to the creation of a \$100,000 low income energy grant fund.

Perhaps OPC's greatest challenge and finest achievement was its work to support the Mayor's Power Line Undergrounding Task Force convened following the devastating effect of the Derecho Storm. In response to Pepco's dismal reliability performance, sustained power outages, and slow restoration Mayor Gray called for a “game changer.” As People's Counsel, I realized that the Task Force, operating outside the traditional regulatory process, offered a unique opportunity. My goal was to be a strong voice at the table for consumers and to use OPC's expertise to help make the process a success. The Task Force ultimately recommended a plan that would upgrade and place underground 60 of the worst performing electrical feeders in the District. My support of the final proposal was premised on the requirement that the Plan ensure maximum system reliability at an affordable cost to consumers.

With regard to natural gas reliability, the Office's Litigation Services Division (“LSD”) continued its review of WGL's progress on the terms of a 2008 settlement agreement to resolve a series of gas leaks and service disruption issues. The plan called for the replacement of certain vintage pipes. OPC's comments, adopted by the Commission, called for greater scrutiny of WGL's allocation

policy to ensure that costs remain contained to vintage pipe replacement.

In January, in response to an earlier OPC petition, the PSC convened evidentiary hearings to investigate numerous Verizon telephone service quality issues. OPC identified several issues including the causes of telephone service outages, the corrective actions necessary to provide safe and reliable service, Verizon's efforts to resolve persistent infrastructure problems, and whether Verizon has deliberately failed or refused to repair infrastructure or service. Also, the Commission docketed the investigation of Verizon's transition from a copper-wired network to a fiber-optic network. At the center of this case are consumer complaints about the manner in which Verizon is deploying the new network and marketing new services to customers.

Two years ago I created the first-of-its-kind Energy Efficiency and Sustainability (EES) Section within OPC. The Office increased its profile and presence at the federal regulatory level before the Federal Energy Regulatory Commission ("FERC"), and as an active member of the PJM Interconnection (PJM) stakeholder committees. We recognized that with deregulation and a restructured electric industry, many of the issues directly affecting consumers such as generation transmission and

renewable energy as a supply option-- are increasingly decided at the national or regional level. For example, since 80% of what DC electric consumers pay monthly goes to the unregulated cost of energy generation, the only means to influence this "lions share" of their bill is through OPC's participation in proceedings before the FERC, where key rulings are being made.

Before PJM, the regional system operator managing electric transmission throughout much of the eastern United States - including the District - OPC was instrumental in the formation of the Consumer Advocates of PJM States, Inc. ("CAPS;"), which serves as both a resource and a representative voice during PJM proceedings.

2013 was an exceptionally busy year before the DC Council on a range of diverse issues; summarized below.

- 2/28/13 – Performance Oversight Hearing
- 4/25/13 – Budget Oversight Hearing
- 10/3/13 – "Community Renewable Energy Act of 2013," Bill 20-0057
- 10/10/13 – "Mayor's Underground Task Force Legislation," Bill 20-387

- 10/14/13 – "OPC/PSC Term of Service Harmonization Act of 2013," Bill 20-346

- 10/16/13 – "Renewable Portfolio Standard Amendment Act of 2013," Bill 20-418

- 10/21/13 – "Electric Company Infrastructure Improvement Financing Act of 2013," Bill 20-387

- 10/21/13 – "Critical Infrastructure FOIA 2013," Bill 20-505

- 12/20/13 – "Review of DC Agencies' Compliance with Small Business Enterprise Expenditure Goals"

In 2013, I was particularly honored to receive the Advocate for Justice Award from my Alma Mater, the University of the District of Columbia David A. Clarke School of Law.

I am looking forward to working with you to tackle the challenges facing us next year.

Sincerely,



Sandra Mattavous-Frye, Esq.
D.C. People's Counsel



ORGANIZATIONAL STRUCTURE

Directorate Division

Sandra Mattavous-Frye, Esq.
People's Counsel

Karen R. Sistrunk, Esq.
Deputy People's Counsel

Phillip G. Harmon
Public Policy Analyst

Herbert H. Jones
External Affairs Manager

Thaddeus J. Johnson,
Executive Assistant

Operations Division

Erica C. Bright
Administrative Assistant

Michael Essien
Webmaster/IT Specialist

Erica Jones
Information Receptionist

Anthony Lee
Computer Specialist

Aniccia Miller
Human Resources Specialist

Frank Scott
Administrative Officer

Litigation Division

Laurence C. Daniels, Esq.
Director of Litigation

Barbara L. Burton, Esq.
Assistant People's Counsel, Senior Attorney

Tamika R. Dodson
Paralegal Specialist

Naunihal Singh Gumer
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Danielle Lopez, Esq.
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Kenneth Mallory, Esq.
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Arick Sears, Esq.
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Nicole W. Sitaraman, Esq.
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Travis Smith, Esq.
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Consumer Services Division

Talib Abdus-Shahid, Esq.
Manager of Consumer Services

Melanie L. Deggins
Consumer Outreach Specialist

Silvia V. Garrick
Consumer Outreach Specialist

Jean Gross-Bethel
Consumer Outreach Specialist

Linda H. Jefferson
Senior Consumer Education Specialist

Laurence F. Jones
Policy Analyst

Abigail Marcus-Garvie
Consumer Outreach Specialist

Cheryl L. Morse
Consumer Outreach Specialist

Pamela A. Nelson
Energy Efficiency Outreach Specialist

Christopher Sellers
Administrative Assistant

ORGANIZATIONAL STRUCTURE

OPC Directorate Division

The Directorate determines policy consistent with the Agency's mission to advocate for and protect the interests of DC utility consumers.

OPC Operations Division

The Operations Division is responsible for fiscal management, assessments, space acquisition and management, procurement, human resources, staff development, benefits administration, and legal matters related to OPC's administrative operations.

OPC Technology

Management Information Systems (MIS) is responsible for all aspects of the Office's computer network and information management. MIS provides staff computer training and support, tools for production of consumer education and outreach materials, maintenance of the Consumer Information Database and other information databases, and equipment and technology upgrades. MIS is responsible for updating and monitoring OPC's website, www.opc-dc.gov.

OPC Litigation Services Division

The Litigation Services Division consists of the Energy, Telecommunications, Technical and Market Monitoring Sections. The Division litigates cases involving utility companies before the Public Service Commission, federal regulatory agencies, and the D.C. Court of Appeals. This work includes developing overall litigation strategies, case management and coordinating outside counsel and expert technical witnesses.

OPC Consumer Services Division

The Consumer Services Division provides education and outreach to District consumers. Consumer Services staff provides technical assistance and representation to individual consumers in disputes with utility companies. The Division also provides assistance and resources to the Consumer Utility Board (CUB) and other community, civic and consumer organizations.

A Litigation Division staff attorney advises the consumer complaints staff whether legal action should be taken.

This function helps OPC identify trends and provides a basis for determining the need for a policy shift or legal action.

OPC Energy Efficiency and Sustainability

The Energy Efficiency and Sustainability (EES) Section identifies strategies and activities that, once implemented, will help transition the District to a Clean Energy Economy. In developing clean energy policies and strategies, the Office insists on pursuing only those initiatives that will provide long term environmental and economic benefits to the ratepayers of the District.



CONSUMER SERVICES DIVISION

New Horizons in Consumer Advocacy and Education

People's Counsel Sandra Mattavous-Frye pictured with Barbara Morgan, co-recipient of the 2013 Consumer Advocacy Award for outstanding lay advocacy on behalf of DC Utility Consumers.



Consumer Complaint Trends 2013

The demographics of DC continue to change. Strong pockets of economic growth counter areas continuing to experience intense unemployment and poverty.

In 2013, OPC received 1,020 consumer inquiries and 1,715 consumer complaints. The majority of the complaints came from Wards 5, 7 and 8. Pepco accounted for 50% of complaints citywide, Verizon 25% and WGL, 16%.

Pepco

Consumers decried another rate increase request, as long standing problems of vegetation management and deteriorating infrastructure continued to affect quality of service. Consumers complained about their difficulties trying to talk by

phone with Pepco customer service representatives to report service, billing or smart meter problems. Others reported difficulty initiating new service accounts that resulted in questions about billing accuracy.

The majority of the complaints came from Wards 5, 7 and 8.

OPC's "Pepco Power Outage Survey" documented the District's electricity consumers' discontent with the quality of Pepco's services. From the responses to OPC's survey, consumers welcomed the concept of burying overhead power lines as protection from weather related outages. However, they expressed concerns about costs to consumers, feeders

to be selected for undergrounding, construction schedules, disruption of traffic, effects on businesses and environmental impacts.

To minimize power outages, Mayor Gray demanded a power outage "game changer." He formed a task force to study and make recommendations about to improve Pepco's system resiliency and reliability. The taskforce completed its report in January 2013.

Separately, some consumers questioned use of Pepco's smart meters, the volume and frequency of electromagnetic field emissions and their effects on health, consumers' privacy and home security. Consumers cited a variety of studies that supported their contention. Pepco refuted their claims based on findings

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from other studies, such as the West Monroe Partners Report.

Verizon

The District's growing population also demanded faster, more reliable communications services. To meet consumers' demands and the changing industry standards, Verizon continued its transition from copper "twisted pair" phone lines to fiber optic cable. Fiber allows for adaptation of cable, internet and phone services, such as Verizon's FiOS, on one line. However, many District residents were uneasy about the infrastructure change.

Among consumers' concerns were inadequate information about fiber optic and FiOS deployment schedules, overly aggressive FiOS sales and marketing practices, poor copper phone line maintenance, uneven quality of FiOS installation, concerns about fiber optic phone service following power outages and difficulty contacting Verizon customer service representatives to resolve complaints. OPC held 2 town hall meetings in January 2013, to hear consumers'

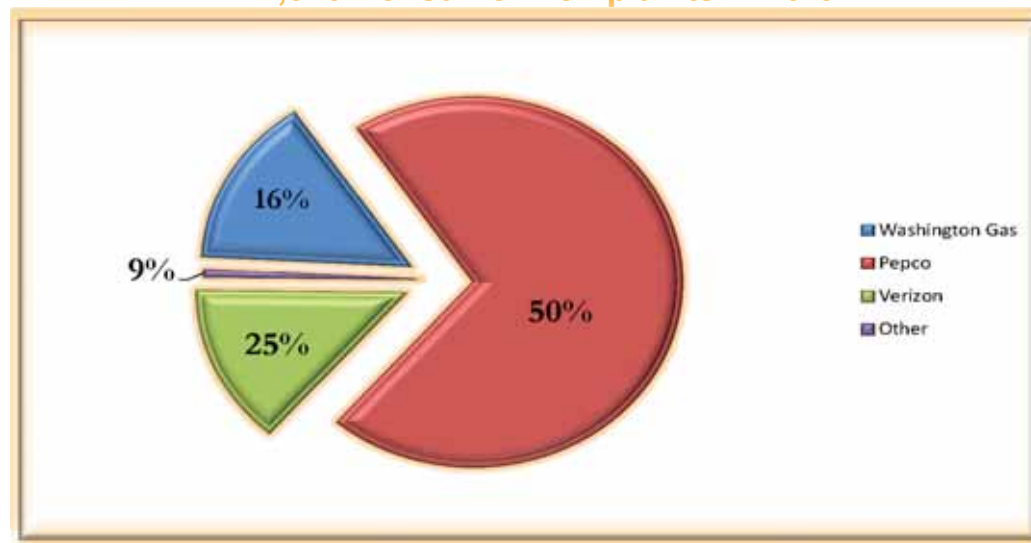
opinions about Verizon's services. Their comments helped provide background for OPC's statements in Formal Case No. 1090, PSC's investigation into Verizon's quality of services and Formal Case No. 1102, Verizon's transition from copper to fiber optic cable.

Washington Gas Complaints

Quality of customer service was a primary cause of WGL's consumer complaints. Consumers complained

about the lack of knowledge and inefficiency of WGL's outsourced customer service representatives. Other complaints about WGL services included delayed street repairs following service line maintenance, failure to alert residents in advance about construction, delayed service reconnection, missed reconnection appointments, and concerns about billing accuracy. Consumers also reported difficulty navigating WGL's online and phone payments systems.

1,020 Consumer Complaints in 2013



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OPC Community Partnerships

OPC / AARP Informational Roadshow

On June 26, 2013, OPC held its first in a series of OPC/AARP Informational Roadshows at various DC sites. This educational outreach project was a joint effort of OPC and the AARP to educate DC consumers about the Starion/Competitive Energy Suppliers (CES) complaint proceeding (Formal Case No. 1005) and the status of Pepco's DC Smart Meter program. At the event, participants shared their experiences about questionable solicitations from CES. They also explained their concerns about how smart meters have been installed by Pepco.



AARP receiving information from OPC Staff regarding recent developments in DC utility matters.

Key Community Leaders Briefing

On August 27, 2013, OPC held a Key Community Leaders Briefing. The purpose of this event was to brief community leaders on the progress of two major cases: the most recently filed Pepco Rate Case (Formal Case No. 1103) and the Starion/CES complaint proceeding (Formal Case No. 1105). OPC's goal was to answer any and all questions regarding these cases so leaders could address any concerns brought to them by their respective constituents and members. The event attracted a very

influential group of community leaders who later became catalysts for attracting constituents and members interested in becoming witnesses at the four Pepco rate-case community hearings and the Starion-CES evidentiary hearing.



Attorney Laurence Daniels briefs DC Residents on pending Formal Cases before the PSC.

CONSUMER SERVICES DIVISION

DC Residents Voice Concerns at Competitive Energy Suppliers Community Hearings

In early 2013, OPC began receiving numerous consumer complaints regarding the business practices of certain electric and gas Alternative Energy Suppliers (CES) operating in DC. The volume of these complaints prompted OPC to file a petition with the PSC on behalf of these consumers (Formal Case No. 1105) to begin an investigation into the business practices of all CES operating in DC. The PSC granted OPC's petition in part, opening an investigation only against Starion Energy and scheduling a community hearing for July 12, 2013, to listen to consumers' experiences with all CES and to determine if a wide-ranging

investigation was necessary. A total of 22 public witnesses testified about their experiences with CES. However, 21 of those witnesses testified against Starion. After considering all the testimony from the community hearing, the PSC issued a Cease and Desist Order to Starion, ordering them to discontinue any activities in violation of consumer protection laws. In addition, the PSC scheduled an evidentiary hearing to determine whether and to what extent Starion was in violation of the DC consumer protection laws. The PSC also opened another case (FC No. 1107) to: (1) evaluate current consumer protection laws relating to the business

practices of all CES, and (2) change the rules where needed to better safeguard DC consumers. Rather than have the evidentiary hearing in FC No. 1105, Starion agreed to settle the case. Under the settlement agreement, consumers who had complaints against Starion were made "whole" by having their bills recalculated so they paid the lower amount of either their contract rate with Starion or the Pepco Standard Offer Service rate. Also, Starion contributed \$100,000 to the Greater Washington Urban League's energy assistance program to help qualified DC consumers.



DC Utility Consumers showed up in large numbers to express concerns to the PSC regarding CES marketing practices.



Utility Consumers testified before the DCPSC about their personal experiences with CES operating in the District.

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OPC Sponsors Language Access Public Meetings

OPC's community outreach and advocacy to limited English proficient and non-English proficient (LEP/NEP) consumers was dynamic this year! OPC's commitment to ensuring that LEP/NEP consumers are part of the mainstream of educated utility consumers is an ongoing process that requires staff's maximum diligence and dedication. This year's activities, which included community meetings, forums and PSC public hearings, were a resounding success. LEP/NEP consumers indicated they appreciated OPC's proactive role in engaging and educating the District's multilingual and multiethnic community and empowering it with information to make educated decisions about the range of consumer choices in the local natural gas, electric, and telecommunications marketplace.

Several District agencies partnered with OPC to educate people with disabilities and LEP/NEP utility consumers. These agencies included the Executive Office of the Mayor - Office of Disability Rights, the Mayor's Office of Asian and Pacific Islanders Affairs (Chinese,



OPC staff members Barbara Burton and Silvia Garrick pictured with consumers at a OPC sponsored Language Access Meeting.

Korean and Vietnamese-speakers), Mayor's Office on Latino Affairs, (Spanish-speakers), the Mayor's Office on African Affairs (Amharic and French-speakers); the DC Language Access Coalition (an alliance of more than 40 community-based organizations and civil rights organizations) and the DC Office of Human Rights (provides guidance on the implementation of the D.C. Language Access Act of 2004). Additionally, numerous churches, schools, organizations, and agencies remain supportive and committed to incorporating utility awareness

information into their efforts to empower the District residents they serve.

In addition to community outreach, OPC will use the power of technology to connect with LEP/NEP consumers and people with disabilities by continuing its ongoing efforts to improve communications through ADA assistive technology, enabling OPC to facilitate communication of disputed utility issues that are brought to our Office by people who are deaf and hearing impaired, visually impaired, blind and physically handicapped.

OPC is excited about the future! We will continue to join forces with our partners from District agencies and the community and educate LEP/NEP and people with disabilities at community meetings, health and wellness fairs, workshops, expos, forums, symposiums and advocacy groups meetings.

CONSUMER SERVICES DIVISION

OPC Launches Summer Senior Outreach Campaign

In early 2013, OPC began receiving a growing number of calls and complaints from the senior community regarding Alternative Energy Suppliers' (CES) solicitation tactics. In an effort to address these and other issues, OPC launched a Senior Summer Outreach Campaign for 2013. The purpose of the campaign was to educate senior citizens on their utility consumer rights while addressing their CES questions and concerns. As part of the Senior Summer Outreach Campaign, CSD Outreach Specialists visited places frequented by seniors, such as senior wellness centers, apartment complexes, and meal centers. By the end of the campaign, Outreach Specialists had spoken with over 1000 seniors. The testimony of many of these seniors was instrumental in convincing the PSC to investigate the actions of one CES, Starion Energy, and to approve a landmark settlement on behalf of consumers.

OPC found the campaign to be just as valuable. Based on conversations with seniors at outreach events, the Office was able to identify re-occurring issues,

questions, and problematic practices. In response, OPC developed a set of "Questions to Be Asked"—a tool used to enable individuals to become educated consumers as they navigate utility choice in the District of Columbia.

In furthering its senior outreach efforts, OPC teamed up with the DC Office on Aging. The Office participated in dozens of DCOA Mini Senior Workshops and Forums. The primary goal of the workshops was to promote "Aging in Place," an effort to equip seniors and communities with the resources necessary to enable seniors to remain in their homes as they grow older without regard for income or ability level. OPC recognized the integral role utilities play in enabling (or preventing, as the case may be) a person to afford to remain in their home as well as the rapid changes occurring in the utility arena and the impact rising utility costs can have on one's budget. OPC's participation in the Mini Senior Resource Workshops was an opportunity to provide invaluable information to seniors and help foster a sister agency's goal of providing

education and tools to help remove or lessen the financial and economic burdens on one's ability to age in place.

OPC continues its collaboration with the DC Office on Aging and has expanded its involvement by participating in its Health and Wellness Workshops throughout the City. These outreach efforts enabled the Office to provide information to the senior community while gathering their issues and concerns, thereby enabling the Office to continue to provide them with the highest quality of service and information they deserve.

The primary goal of the workshops was to promote "Aging in Place," an effort to equip seniors and communities with the resources necessary to enable seniors to remain in their homes...



CONSUMER SERVICES DIVISION

OPC's Town Hall Meetings on Verizon's Quality of Service

Since 2008, Verizon-DC has accounted for more than 30 percent of the consumer complaints received by OPC staff, a figure surpassed only by Pepco, which accounted for more than 50 percent of consumer complaints received during the last five years. Analysis of the Verizon complaints revealed a disturbing trend: an ever increasing number of complaints were about service outages, dropped calls and difficulty contacting the company by phone. These consumer complaints were also heard at community meetings, ListServe exchanges and through referrals by City Council members, highlighting the severity of the problems affecting the District's vital residential phone system.

In recent years, violent storms like last year's "Derecho" produced heavy rains and high winds that toppled trees and power poles, leaving neighborhoods throughout the city without electric or phone services for days and, in some cases, weeks. However, it was Verizon's "blue sky" service outages that prompted even more consumer dissatisfaction.

The litany of consumer complaints catalogued by OPC staff included low hanging or downed phone lines, frequent repairs, missed repair appointments, poor quality of repairs, difficulty navigating Verizon's automated phone system and poor copper line maintenance. Just last year, complaints regarding removal of copper lines, high pressure FiOS marketing and erratic FiOS service quality became more frequent.

On August 26, 2011, OPC petitioned the PSC to conduct an inquiry into Verizon DC's quality of service performance. OPC's petition informed the Commission about the numerous complaints received from every ward in the city regarding recurring service outages and phone line interference. The PSC granted OPC's Petition and initiated Formal Case 1090 to establish a formal investigation.

The PSC did not schedule community hearings. However, to ensure that consumers' voices would be heard, People's Counsel held "Town Hall Meetings on Verizon's Quality of

Service and Reliability" on January 9 at the Chevy Chase Community Center and January 12 at Pennsylvania Avenue Baptist Church.

More than 80 people attended the town hall meetings, with 56 people making formal statements. The consumers' statements became part of OPC's Community Brief that was filed and made part of the formal record to be considered by the PSC in reaching its decision. Verizon representatives who attended the town hall meetings heard "first hand" consumers' frustrations with Verizon's quality of service. At both town hall meetings, consumers demanded improved training for customer service representatives and service technicians. Seniors described their need for reliable phone service at affordable rates. Other consumers told of their experiences with repeated phone service outages, either following storms or during "blue sky" days.

There were consumers who attended the town hall meetings that stated their Verizon services were reliable and

CONSUMER SERVICES DIVISION

without problems. Opinions about the quality of Verizon's services were sharply divided between business and residential ratepayers, with business customers far more satisfied than Verizon's residential customers. The overwhelming majority of residential customers who spoke at the town hall meetings were quite dissatisfied with the quality and reliability of their phone service. A former ANC commissioner insisted Verizon provide equally good service throughout the city,

regardless of the neighborhood or zip code, since all Verizon customers are paying for the same services.

DC law requires all public utilities operating in the District to provide safe, adequate and reliable service. The town hall meetings gave consumers the opportunity to express their opinions about Verizon, its services and how poor reliability affects their quality of life. Consumers also had the opportunity for

their voices to be heard by sending their statements to the PSC before the formal case record closed on April 10, 2013.



Verizon DC customers voice their concerns about the reliability of their Verizon landline telephone service during OPC's Town Hall Meetings.

CONSUMER SERVICES DIVISION

OPC in the Community 2013

January 2013

Senior Outreach
OPC Verizon Town Hall Meeting
Rittenhouse Apartments Tenants
Association Meeting
Verizon Town Hall Meeting
Edgewood Brookland Collaborative
ANC 5B
Jubilee Housing Resident Council Meeting
ANC 3G02
Comprando Rico y Sano Program

February 2013

ANC 4A
Vietnamese-American Community
Service Center
ANC 3D
ANC 5B
ANC 5C
Smart Meter Discussion Panel
DC Commission on Persons with
Disabilities
Queens Chapel Civic Association
ANC 7D
Andromeda Transcultural Health
DC Mayor's Commission on
African Affairs Meeting



*DC Utility Consumers voice their concerns
during the Formal Case No. 1103
Community Hearings.*

DC Homeowner Assistance Program
ANC 5C
Fairlawn Civic Association
Resident Council Meeting
ANC 1D
Greater Washington Urban League
Edgewood Civic Association
Health and Informational Fair
ANC 5B

March 2013

FCC's 4th Annual Consumer Employee
Information Fair
Utility 101 Workshop
International Women's Day Event

Bruce Monroe at Parkview
Elementary School
International Women's Day Event
ANC 1D
ANC 3B
Japanese Delegation
20th Annual NBC4 Health & Fitness
Expo
ANC 3F
Commission on Aging
ANC 8D04

April 2013

Department on Disability Services
Administration Vocational Support &
Independent Living
Greater Washington Hispanic Chamber
of Commerce
ANC 4A
ANC 8C
ANC 8B
Bruce Monroe at Parkview
ANC 3C
7th District Police Station
ANC B1
12th Annual Fair Housing Symposium
La Luz del Mundo Church
ANC 4B

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OPC in the Community *(continued)*

Federation of Citizens Association
Senior Digital Literacy Seminar
ANC 8D
ACC Outreach

Congress Heights at UPO Petey Green
ANC 8B01
ANC 1D
Utility 101 Workshop
ANC 1D
Senior Outreach
Department of Human Services

AARP
Ft. Stanton Civic Association
Senior Annual Picnic
Senior Outreach
Utility 101 Workshop
ANC 8B01
Celebrando la Buena Salud
Consumer Information Workshop
Shrine of the Sacred Heart
Vietnamese American Community Center
AARP/OPC Information Road Show
Family Matters of Greater Washington
Asian & Pacific Islander Senior Center

May 2013

ANC 1B
The DC Center for Independent Living
AARP
ANC 2B
ANC 4C
Historic Anacostia Block Association
ANC 6A
Bruce Monroe at Parkview

June 2013

5th Annual DC Housing Expo
DC African Wellness Fete
ANC 8E
Utility 101 Workshop
ANC 6E

July 2013



OPC staff member Dr. Yobannes Mariam educates consumers on how to read their utility bills.



OPC staff member Jean Gross-Bethel talks with a consumer at an outreach event.

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OPC in the Community *(continued)*

ANC 8E
ANC 8A
Vida Senior Center
Senior Outreach
Ethiopian Orthodox Tewahedo Church
ANC 5E
FCC/OPC Consumer Outreach
Andromeda Transcultural Health Center
Public Hearing regarding Competitive
Energy Suppliers
ANC 8B
Senior Outreach
ANC 8D
Vida Senior Center
Senior Outreach

August 2013

Councilmember Cheh's Office
MPD 7 National Night Out
Casa Iris
Senior Outreach
Utility 101 Workshop with FCC
Vida Senior Center
The District of Columbia Center for
Independent Living, Inc.
ANC 1D
Community Leaders Briefing



*PSC staff member Dorothy Wideman with
OPC staff members Herbert Jones,
Karen Sistrunk and Melanie Deggins.*



*People's Counsel Sandra Mattavous-Frye and
OPC staff member Nauihal Singh Gumer
welcome delegates from Maryland's Grid 2.0.*

PTA Meeting at the Life Skills Center
Community Leader Briefing

September 2013

Ward 5 Senior Day
Community Leaders Briefing
ANC 8E
ANC 8B
Language Access Workshop

DC Health Link Asian American and
Pacific Islander Leadership Summit
Community Health & Wellness Fair
Senior Feast and Health Expo
Community Hearing
Barbara Chambers Children's Center
2013 Consumer Forum
DC Department of Consumer &
Regulatory Affairs Green Building
Symposium and Expo
Feria de Salud/Health Fair
ANC 8D
Senior Outreach
Baby Boomers: Health, Wellness and Sex
through the Golden Years
6th Annual Tenant Association Summit
Health Fair

CONSUMER SERVICES DIVISION

OPC in the Community *(continued)*

Community Hearing

October 2013

2013 Mayor's Annual Disability

Awareness Expo

Community Hearing

Family Matters of Greater Washington

Pilgrim AME Church Community Health
& Wellness Fair

Senior Outreach

ANC 7D

Penn Branch Civic Association

ANC 5B01

Martha's Table

Ethiopian Community Services and
Development Council

A Hands-on Citywide Workshop: Making
Energy Efficiency and Renewable

Energy Real

ANC 8B

Pepco Energy Summit

2013 Domestic Violence Awareness/
Immigration Colloquium

ANC 8D

November 2013

DC Center for Independent Living

Community Leaders Briefing

Ukrainian Delegation

ANC 4A

Palisades Civic Association

Senior Outreach

Community Outreach

DC Center for Independent Living

Senior Outreach

Senior Outreach

Senior Outreach Event

DC Commission on Aging

December 2013

Palisades Citizens Association

Community Outreach

Senior Outreach

Senior Holiday Celebration

Ward 3 Senior Advisory Group Meeting



OPC staff member Laurence Jones (right) speaks with a consumer during the OPC's Verizon Quality of Service Town Hall Meeting.



OPC hosts a Ukrainian Delegation, providing them with information regarding advocacy on behalf of utility consumers.

LITIGATION SERVICES DIVISION

2013 Formal Cases

Formal Case Nos. 766, 1002, 982, 991	Pepco's Reliability Dockets
Formal Case Nos. 1086, 1106	Pepco Dynamic-Pricing Proposal
Formal Case No. 1017	In the Matter of the Development and Designation of Standard Offer Service in the District of Columbia
Formal Case No. 1076	Reliability and Management Audit
Formal Case No. 1078	The Investigation into the Adequacy of Billing Information on Monthly Utility Bills
Formal Case No. 1103	Application for Authority to Increase Existing Retail Rates and Charges for Electric Distribution Service and Supporting Testimony and Exhibits
Formal Case No. 1105	In the Matter of the Investigation into the Business and Solicitation Practices of Starion Energy in DC
Formal Case No. 1107	In the Matter of the Investigation into Electric Service Competition and Consumer Protection Requirements
Formal Case No. 874	In the Matter of the Gas Acquisition Strategies of the District of Columbia Natural Gas, a Division of the Washington Gas Light Company
Formal Case No. 1027	In the Matter of the Emergency Petition of the Office of the People's Counsel for an Expedited Investigation of the Distribution System of Washington Gas Light Company
Formal Case No. 1093	Investigation into the Reasonableness of Washington Gas Light Company's Existing Rates and Charges for Gas Service
Formal Case No. 1106	In the Matter of the Investigation of Washington Gas Light Company's ("WGL") Interruptible Service Customer Class, the Operation of WGL's Distribution Charge Adjustment, How WGL's Class Cost-of-Service Study ("CCOSS") Accounts for Revenue from Certain Classes of Customers, The Proper Design of Interruptible Service Rates and Related Issues
Formal Case No. 1110	Washington Gas Light Company's Application for a Weather Normalization Adjustment
Formal Case No. 1090	Investigation of Verizon's Quality of Service
Formal Case No. 1112	In the Matter of Amendment of the Commission's Rules Regarding Regulation of Local Exchange Carriers
Billing Error 04-2012-T	Investigation into Verizon Washington, DC Inc.'s Billing Error
Formal Case No. 1108	The Investigation into the Public Service Commission's Rules of Practice and Procedure Pertaining to Confidential or Proprietary Information

LITIGATION SERVICES DIVISION

Mayor's Power Line Undergrounding Task Force

On August 16, 2012, Mayor Vincent C. Gray issued Executive Order 2012-130, which established the Mayor's Power Line Undergrounding Task Force ("Task Force"). The Task Force consisted of representatives from the Mayor's Office and other District agencies, the Office of the People's Counsel, the D.C. Council, the Public Service Commission ("PSC"), Pepco, stakeholder businesses, and resident representatives. The purpose of the Task Force was to pool the collective resources available in the District to produce an analysis of the technical feasibility, infrastructure options, and reliability implications of undergrounding new or existing overhead electric distribution facilities in the District. The overall objective was to improve electric-system reliability/resilience in response to more frequent weather events and their impact on the electric-distribution system. The Task Force determined that significant improvements to the District's aging electric-delivery system are necessary to reduce extended power outages caused

primarily by storms.

As a result of the Task Force's recommendations and findings, in July 2013 the Mayor introduced before the D.C. Council legislation (i.e., the Electric Company Infrastructure Improvement Financing Act of 2013 ("Electric Act")) authorizing the undergrounding of up to 60 feeder distribution lines across 5 Wards of the District. (This work may also affect natural gas, telecommunications, water, and sewage facilities that are co-located underground and may require repair, replacement, or relocation of one or more of the foregoing.) The project is expected to last 7-10 years and to cost \$1 billion.

Under this proposed legislation, both the District Department of Transportation ("DDOT") and Pepco will undertake construction projects, which will result in the undergrounding of Pepco's most vulnerable electric distribution lines. DDOT's construction projects will be financed through the issuance of District revenue bonds (not to exceed \$375 million), which will be repaid (in part) through a surcharge

to certain Pepco ratepayers. Pepco's construction projects will be financed through infrastructure surcharges to certain of its ratepayers. Under the Electric Act, OPC is designated a party as a matter of right in all PSC proceedings relating to the approval of DDOT/Pepco construction plans and finance orders.

LITIGATION SERVICES DIVISION

Competitive Energy Suppliers: Formal Case No. 1105 - Investigation into the Business Practices of Starion Energy & Formal Case No. 1107 - Investigation into Electric Service Competition and Consumer Protection Requirements

The Office's sole mission is to represent the interests of all consumers of utility services. One of the best and most effective ways for OPC to fulfill this mission is to empower consumers to have a voice in the process. These two competitive energy supplier proceedings are great examples of how this voice has manifested itself in the regulatory process.

Office staff received numerous consumer complaint calls and attended numerous ANC and community meetings throughout the city. We listened to consumer concerns and identified certain trends and patterns of behavior by the "new comers" in the utility service field, Competitive Energy Suppliers (CES) which are growing in number.

This consumer outcry prompted the Office to file a petition with the Public Service Commission (PSC) to initiate an investigation into the business practices of all CES operating within the District.

The Initial Petition was filed on April 1, 2013, and included 59 consumer complaints against a number of electric and gas suppliers. The issues raised by consumers included: unauthorized switching of providers (slamming), overly aggressive marketing practices, misrepresentation of an affiliation with Pepco and/or other government energy programs and deceptive billing practices. OPC requested the PSC initiate a wide-ranging investigation of all CES in DC to determine the scope and nature of the alleged bad business practices. Upon finding violations, OPC requested imposition of sanctions—including fines, suspension or revocation of license.

The Commission granted OPC's Petition in part, by opening a formal investigation of the business and solicitation practices of one licensed CES, Starion Energy (Starion) (Formal Case No. 1105), and scheduled a public hearing for July 12, 2013 to determine if a wide-ranging investigation was necessary. A total of

22 public witnesses testified about their experiences with CES—21 of the 22 witnesses testified against Starion.

OPC filed a Supplement to its Initial Petition on July 22, 2013, noting that it received a total of 172 complaints from a total of 170 consumers (including 82 seniors). Of the 172 complaints received by OPC, 120 complaints named Starion. The PSC's Office of Consumer Services, also received a number of complaints against various CES companies, 129 of which were complaints against Starion. The PSC ordered Starion to provide detailed information regarding its solicitation practices and to describe its relationship with Pepco, including any claims made by its representatives of an affiliation with Pepco. Ultimately, OPC and PSC received over 500 complaints.

The PSC denied OPC's Petition to open an investigation of all CES operating in the District, and instead, opened Formal Case No. 1107, to evaluate the existing consumer protection rules as they relate

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to the business practices of competitive energy suppliers and revise the rules to better safeguard District residents.

The PSC also issued a Cease and Desist Order to Starion Energy in Formal Case No. 1105 directing Starion to discontinue any activities in violation of consumer protection laws and scheduled an evidentiary hearing to determine whether and to what extent Starion may be in violation of the consumer. The evidentiary hearing was suspended pending settlement discussions.

OPC and Starion reached a consensus and entered into a Unanimous Settlement Agreement and Voluntary Compliance Plan, which was submitted to the Commission on December 9, 2013 for approval.

The proposed settlement should provide tangible benefits to consumers and may serve to establish the ground rules for all CES interested in doing business in the District. The settlement agreement may also serve as an effective deterrent against future non-compliant behavior by Starion or other CES providers, as

it seeks to send a message to all CES providers that OPC is keeping a watchful eye and is fully committed to protecting the interests of District consumers.

The Agreement provides compensation for consumers who lodged compensable complaints with OPC or the PSC, ensures that consumers are provided with clear and accurate sales information going forward, and secures energy assistance for DC consumers in need.

The proposal of such a settlement is the first of its kind for the Office and stands to produce significant benefits for District consumers if approved as proposed. The PSC investigation of the consumer protection rules is also a key proceeding that may serve to maintain a fair and level playing field for consumers who choose energy services with CES operating in the District. These competitive energy supplier proceedings directly result from the voice of the consumer. Consumer input is essential to the Office and the regulatory process as a whole.

LITIGATION SERVICES DIVISION

Formal Case No. 1103 - Application for Authority to Increase Existing Retail Rates and Charges for Electric Distribution Service and Supporting Testimony and Exhibits

On March 8, 2013, Pepco filed a rate case application (“Application”) with the PSC requesting authority to increase distribution service rates by \$52.1 million. The top three issues in that case were:

1. Pepco’s request for an increase in its profitability;
2. Pepco’s request to use a new depreciation methodology; and
3. Pepco’s request for cost recovery for numerous construction projects in a manner that departs from prior PSC practice.

OPC took the following positions with respect to the foregoing issues:

1. The financial market conditions do not support an increase in Pepco’s profitability; the conditions actually are conducive for a decrease in the Company’s profitability.
2. Pepco’s proposed depreciation methodology is not in the public interest because it is not compliant

with the PSC’s mandate for depreciation.

3. Pepco’s request to recover costs outside the test year is not in the public interest because the proposed projects do not fit the criteria for out-of-test-year recovery, and Pepco failed to provide adequate evidentiary support for the projects.

After evaluating Pepco’s Application, OPC recommended the PSC decrease Pepco’s rates by \$10 million. Briefs were filed in December 2013.

OPC’s advocacy in this case recognizes that improvements must be made to the electric network and these improvements cost money. However, OPC believes cost increases borne by consumers borne by consumers must be balanced by improvements in the service.



OPC Staff members (top row) Arrick Sears, Esq., Naunihal Singh Gumer, Tamika Dodson, Karen Sistrunk, Esq., and Yohannes Mariam, Ph.D. (bottom row) Laurence Daniels, Esq., People’s Counsel Sandra Mattavous-Frye and Danielle Lopez, Esq.

LITIGATION SERVICES DIVISION

The Pepco Reliability Dockets - Formal Case Nos. 766, 1002, 982, 991

As the representative of DC ratepayers, the Office has a vested interest in the success of the reliability of Pepco's electric service, including its plan for restoration of service after a power outage. Based on a number of reliability and quality-of-service issues that have arisen over the course of a number of years, Pepco has been required to submit reports related to its performance and plans for improvement. Specifically, Pepco is required to submit an Annual Consolidated Report, which consists of a Comprehensive Plan, Productivity Improvement Plan, and Manhole Event Report. Annual Consolidated Report provides information on the recent reliability performance of Pepco's electric transmission and distribution system and the current status of the

planning, design, and operating processes for meeting electric load growth and maintaining system reliability. Further, it provides information on the status of Pepco's ongoing and planned activities for maintaining and improving its system reliability. It also includes an annual Underground Failure Analysis Report, which tracks and reports on the number and causes of Pepco's underground equipment failures. Pepco filed its initial 2013 Consolidated Report on February 18, 2013, and a supplement was filed thereafter on May 30, 2013.

The Office is actively involved in these dockets, making sure to carefully review all reports and filings made

by Pepco concerning reliability, its plans for improvement, and plans for restoration in the event of an outage, including a major storm outage. Upon its review of such filings, OPC takes every opportunity to comment on prospects for improvement, clarification, and enhancement of Pepco's plans. OPC also participates in a Productivity Improvement Working Group, consisting of representatives from Pepco, the PSC, and OPC to discuss Pepco's performance and plans for improving reliability. The Office has been, and will continue to be, resolute in its commitment to ensure that consumers are provided with safe and reliable electric service for years to come.



LITIGATION SERVICES DIVISION

Formal Case No. 1101 - OPC's Petition to Investigate Pepco's Executive Compensation

For several years, OPC has advocated that Pepco's executive compensation, which is funded by DC ratepayers, be tied to Pepco's electric-reliability woes. In numerous comments, OPC has stated that such a tie is necessary and fair to reflect the electric-reliability issues that plague the District. In August 2012, OPC filed a petition requesting the Commission initiate an investigation to establish a mechanism that ties the compensation of Pepco's senior management to the Company's reliability performance, which the PSC subsequently granted.

The Commission directed Pepco to file information explaining the link between service reliability metrics in the District and its executive compensation levels. After reviewing Pepco's response, OPC determined that it was woefully inadequate, as it lacked specifics concerning the development and application of the Company's performance metrics. Additionally, Pepco's incentive compensation criteria did not include the Company's

response to Major Service Outages or the inclusion of service reliability in its corporate culture.

OPC is confident that its proposed executive compensation mechanism will serve the public interest, as it will ensure that Pepco incorporates reliability management into its corporate culture. In practical terms, OPC's proposed mechanism will be effective in that both Pepco's management and the public will know in advance the consequences the Company will face if its service reliability is poor. The PSC is currently considering the comments filed in this proceeding and will subsequently issue its decision.

After reviewing Pepco's response, OPC determined that it was woefully inadequate, as it lacked specifics concerning the development and application of the Company's performance metrics.

LITIGATION SERVICES DIVISION

Formal Case No. 1027 - OPC's Emergency Petition for an Expedited Investigation of the Washington Gas Light Company's Distribution System

This case dates back to 2004 when OPC filed an emergency petition for investigation in gas services interruption and the subsequent settlement in 2008 between OPC and Washington Gas Light ("WGL") resolving the designated issues. Because WGL collects the program costs directly from customers through the surcharge mechanism, OPC recommended in its 2013 comments on WGL's 2012 annual report that the PSC scrutinize WGL's cost allocation policy to ensure that during the replacement of vintage pipe if the company replaces pipes that are not part of the vintage pipe replacement project, WGL does not charge the costs for replacing these other types of pipes to ratepayers.

In July 2013, the PSC stated that "like OPC, the Commission is concerned about the cost overruns for some of the completed projects in the Program and the lack of actual cost information for some partially completed projects." For this reason the Commission decided to adopt OPC's recommendation and begin

the audit process to determine, among other things, whether non-Program costs are being recovered improperly through the surcharge mechanism. OPC was also concerned about how WGL decides the order in which vintage coupling replacement occurs and whether this process of setting priorities is based on which safety risks (natural gas leaks and explosions) need to be reduced first. In its 2013 comments, OPC recommended that the Commission direct WGL to include information in future annual reports on the methodology used to prioritize work undertaken. In July 2013, the Commission stated that it shared OPC's concerns, and directed WGL to file an additional report to describe how it used the computer program Optimain to prioritize program projects.

OPC's advocacy regarding the vintage pipe replacement and encapsulation program involves closely monitoring the implementation of the program to ensure WGL adheres to its work schedule, provide explanations when

deadlines are not met, and provides accurate and comprehensive information and data so that the Commission, OPC and DC consumers know that the work is being performed as expected.

LITIGATION SERVICES DIVISION

Formal Case No. 1093 - Investigation into the Reasonableness of Washington Gas Light Company's Existing Rates and Charges for Gas Service

In the most recent rate case (Formal Case No. 1093), OPC opposed Washington Gas Light Company's (WGL) request for an increase in rates; after which the Commission issued Opinion and Order No. 17132, denying over 70% of WGL's requested rate increase. A major issue in Formal Case No. 1093 was WGL's application for approval of an Accelerated Pipe Replacement Plan (APRP). The Company's plan proposes to replace bare/unprotected steel services and mains, as well as cast iron pipe in WGL's D.C. system with modern polyethylene (plastic) pipe. However, instead of recovering monies for these improvements through a traditional rate case recovery mechanism (i.e., after the work is completed) WGL is seeking approval to obtain monies for these projects upfront in the form of a surcharge.

In Order No. 17132, the Commission rejected the Company's APRP for the following three reasons: (1) the slow

pace of WGL's pipe replacement; (2) questions/concerns about how replacement priorities would be set; and (3) questions/concerns about how those priorities meshed with elimination of the top 100 riskiest pipe segments. By this Order, the Commission also granted WGL an opportunity to revise its APRP for further consideration.

Safe and reliable utility service is always a concern for consumers. However, WGL should not be allowed to shift the burden of maintaining their infrastructure to the consumer. While it is not unreasonable for consumers to bear a portion of the costs of such improvements, WGL must bear ultimate responsibility for the proper operation and maintenance of their system. Likewise, any improvements that WGL makes to their system—for which it seeks an increase in rates—must be supported by the necessary details to allow for proper evaluation of the plan, including: details as to why selected projects should be replaced on an

accelerated basis and not in the normal course of system maintenance, how the proposed replacements address the more vulnerable pipe in their system, and details regarding implementation of this huge project (the who, when and how).

On August 15, 2013, WGL filed a Revised APRP with the PSC. Unfortunately, WGL's Revised APRP fails to address the above issues and concerns.

The Commission's directives and concerns have largely been ignored in WGL's Revised APRP.

The Revised APRP, like the original APRP, is lacking in several areas and includes projects that must be performed as a normal part of WGL's operation and maintenance functions. The size, scope and cost of this plan is huge. Therefore, substantial details—including accurate and reliable data—and a thorough implementation plan are essential for the efficient and effective

LITIGATION SERVICES DIVISION

startup and management of the APRP. OPC expressed its concerns about the APRP, including its concern regarding the lack of sufficient details and reliable data. These concerns persist. OPC therefore continues to oppose WGL's Revised APRP.

Formal Case No. 1110 – Washington Gas Light Company's Application for a Weather Normalization Adjustment

In November 2013, the Washington Gas Light Company ("WGL" or "Company") filed an application with the PSC seeking approval of a Weather Normalization Adjustment ("WNA"), which is a rate-design mechanism intended to eliminate variable weather from the calculation of WGL's revenue requirement. The Commission sought comments from interested parties on the Company's proposed WNA. OPC filed comments opposing the WNA primarily on two grounds: (1)

WGL's application is an attempt to adjust an element of the Company's cost of service outside of a fully litigated rate case; therefore, violating the prohibition against single-issue ratemaking and fails to present circumstances that would justify the Commission abandoning its general adherence to traditional ratemaking and (2) the proposed WNA reduces the variability of WGL's revenue, which also reduces the risk to its investors, and, in turn, should be accompanied by a reduction in WGL's

Commission-approved return on common equity.

If accepted by the PSC OPC's proposal will help keep rates reasonable by ensuring that the WNA calculations are as accurate as possible. Interested parties have filed initial and reply comments on WGL's proposed WNA. OPC is currently awaiting the PSC's decision.

LITIGATION SERVICES DIVISION

OPC Proposes New Telecommunications Service Provider Rules

The telecommunications industry is rapidly transforming. As the regulator of several telecommunications service providers, the PSC recently asked for comments on several of its local service provider rules in Formal Case No. 1112. In a constantly changing telecommunications industry, the PSC wants to ensure that its rules (1) continue to promote a competitive marketplace for District residents and businesses, and (2) ensure service provider compliance with the PSC's requirements for providing telecommunication services in the District. Specifically, the PSC has requested comments on whether its rules regarding telecommunication's service provider tariffing, annual reporting, certification renewal, and service delivery should be modified or changed to meet these objectives.

OPC's Positions on the Issues

A vast array of new technologies, like Voice over Internet Protocol (VoIP) service, continues to rapidly alter the range of local telecommunications services offered to District residents and the manner in which they are

delivered. By interfacing with District consumers through a variety of efforts—including outreach, town hall meetings, and involvement in policy advocacy activities at the Federal Communications Commission, OPC assiduously monitors the myriad issues it faces in the new, fast-paced telecommunications marketplace.

As advocate for DC telecommunications consumers, OPC plans to submit comments, to the PSC on requested topics. To protect and promote the interests of DC consumers, OPC intends to take a strong position on many of the Commission's rules governing service providers.

Tariffing - The PSC has asked whether it should retain its rule requiring local service providers to file and maintain tariffs. OPC believes tariffs provide the most effective means to inform DC consumers about the rates, terms and conditions of service of local telecommunications service providers and will urge the PSC to maintain its tariffing rule.

Annual Reporting - According to the PSC, there is significant non-compliance by local service providers with its rules requiring providers to submit annual reports informing the Commission of things like the type of services they provide. OPC believes non-compliance with reporting requirements is unacceptable. The PSC and consumers deserve to have up-to-date information about the local telecommunications service providers doing business in the District. The OPC plans to urge the PSC to use the most stringent remedies possible to detect and discourage annual reporting non-compliance.

VoIP Service Provider Obligations

--The PSC has also sought comment on whether Voice over Internet Protocol (VoIP) service providers should still be required to contribute to the Universal Service Trust Fund (USTF). As the USTF helps subsidize the cost of local telephone service for the District's most needy residents, OPC will emphasize the importance of the continual imposition of this rule.

LITIGATION SERVICES DIVISION

Formal Case No. 1102 - Investigation into Verizon Customer Migration from Copper Facilities to Fiber Facilities

Formal Case No. 1102 was established by the PSC on January 17, 2013, primarily to examine Verizon's treatment of its copper-wire facilities during its transition to a fiber-optic system. OPC began proactively educating and advocating on behalf of DC consumers regarding FiOS after Verizon began deploying the fiber-optic technology in 2010. OPC co-sponsored one FiOS forum with Verizon so that consumers could learn about fiber-optic technology,

FiOS television, internet, and telephone packages and Verizon's deployment schedule for the District. OPC also sponsored a town hall meeting in 2011, during which consumers shared their experiences with FiOS sales representatives and their questionable FiOS sales tactics, the poor quality of installation and service, and other concerns.

OPC first raised the issue about customer migration from copper to digital networks in Formal Case No. 1090 when it filed rebuttal testimony in September 2012, informing the PSC of the urgent need to investigate the information consumers were allegedly being given about what happens to their copper wire when FiOS is installed. OPC raised the issue because of consumer complaints questioning Verizon DC's tactics in

switching residential copper customers to FiOS. The PSC moved the copper to fiber migration issue from Formal Case No. 1090 to a new proceeding Formal Case No. 1102.

In July 2013, OPC presented the following findings based on OPC's assessment of Verizon data:

- DC consumers are complaining about the manner in which Verizon is marketing and carrying out the transition from copper to fiber and the related transition from telecommunications services to Internet Protocol (IP)-based alternatives.
- During its transition in the District from copper to a Fiber-To-The-Premises ("FTTP")-enabled network and from unquestionably regulated services to Internet Protocol-based alternatives, Verizon is failing to abide by its obligations under the DC Code and PSC regulations.



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Formal Case No. 1102 (Continued)

- Verizon is refusing to provide either the PSC or OPC with information critical to this investigation concerning the transition, its discontinuance of regulated services, and related maintenance and service practices.

OPC urged the PSC to implement several forms of relief, including:

1. the establishment of an evidentiary hearing to compile a record concerning establish metrics and reporting requirements to measure various aspects of the copper-to-fiber transition and related issues;
2. impose penalties on Verizon for exceeding trouble report standards on a wire center, rather than District-wide, basis;
3. establish a policy prohibiting the degradation of existing network functionality during and after the transition from a copper to an FTTP-enabled network;
4. enforce the Consumer Bill of Rights, including consideration of sanctions on Verizon for, among other things,

misleading customers and calling customers who say they do not want to be contacted about FiOS;

5. require Verizon to inform customers fully about the jurisdictional and service implications of switching from copper-based services to switched fiber or to IP-based alternative services;
6. require Verizon to investigate, report on, and implement methods to power Open Network Terminals (“ONT”) and provide ongoing telecommunications service to critical-need populations during power outages;
7. require Verizon to provide initial and replacement back-up batteries if the battery is non-functioning or over three-years old; and
8. clarify the scope of the Commission’s jurisdiction over Verizon’s IP-based voice service.

In October 2013, OPC filed a motion requesting an evidentiary hearing in Formal Case No. 1102 and an immediate order (1) requiring Verizon to cease and desist from unlawfully terminating

District customers’ telecommunications service without their knowledge and consent and (2) allow FiOS customers seeking to return to copper-based or regulated fiber service to do so with impunity. In December 2013, the PSC held in abeyance a decision on OPC’s request for an evidentiary hearing so that OPC could amend its motion and substantiate its claim that Verizon was terminating a customer’s service without their knowledge or consent.

ENERGY EFFICIENCY AND SUSTAINABILITY DIVISION

New Horizons in Energy Efficiency and Sustainability

Advocacy on the Sustainability Energy Utility Advisory Board

The DC Sustainable Energy Utility (SEU) is a private contractor to the District of Columbia government whose primary purpose is to help District residents, businesses, and institutions save energy and money through energy-efficiency-and renewable-energy programs. The SEU is funded through a utility surcharge paid by District ratepayers. The SEU works to fulfill its purpose by providing short-term, quick-start energy efficiency retail products to the public and coordinating long-term market transformation initiatives.

Since the SEU's inception, OPC has been an active member of its Advisory Board. OPC staff members provide research and technical support to the People's Counsel for monitoring the SEU's activities. The SEU Advisory Board is responsible for providing advice, comments, and recommendations to the DC Council and the District Department of the Environment on

the performance and administration of the SEU. Throughout 2013, OPC was actively engaged in extensive deliberations regarding the SEU's performance benchmarks, branding, community outreach and annual budgeting.

By the end of FY 2013, the DC SEU reported that it had achieved the following:

- served 46,500 households;
- spent \$4.6 million with locally Certified Business Enterprises;
- realized 53,000 Mcf in natural gas savings through its programs;
- realized 50,000 MWh in electricity savings;
- installed \$5.6 million in investments in low-income services;
- achieved \$1.6 million in lifetime cost savings from renewable energy installations;
- achieved \$80 million in lifetime economic benefits;
- prevented 45,000 tons of carbon emissions

The SEU has the potential to have a lasting impact on the District's ability to reach its sustainability objectives, including galvanizing reduction of greenhouse gas emissions, reduction in energy consumption, increase in energy-efficiency-and renewable-energy installations. All of these objectives will benefit consumers by reducing energy expenses, facilitating increased electric grid reliability and improving air quality for District residents. OPC will continue to monitor the performance and operations of the SEU to ensure the cost-effectiveness of ratepayer-funded energy-efficiency-and renewable-energy programs in the District.

Formal Case No. 1086 & 1109 - OPC Calls for Full Consumer Benefits of Smart Grid Investments through Dynamic Pricing

Dynamic pricing, also referred to as time-varying rates, is a pivotal component of the emerging smart grid. Dynamic pricing consists of time-based rates that reflect the actual and varying costs of energy delivery. Dynamic

ENERGY EFFICIENCY AND SUSTAINABILITY DIVISION

New Horizons in Energy Efficiency and Sustainability *(continued)*



pricing is an alternative electric rate design option to the standard flat rate which most ratepayers pay. The flat rate for energy does not reflect the true cost of electricity and has typically led to inefficient and wasteful electricity consumption. At its core, dynamic pricing is a tool to incent consumers to reduce their energy consumption during periods of peak demand. Creating standards and programs that offer timely, efficient, transparent, and user-friendly means for customers to make adjustments to their electricity consumption is critical to enabling them to respond to price signals in an efficacious and cost-effective manner.

On October 7, 2013, Pepco filed a proposal with the PSC for a District of Columbia dynamic-pricing program. Pepco's dynamic-pricing plan consisted of four principal elements: (1) Peak Energy Savings Credit; (2) tariff revisions that describe the manner dynamic pricing and the Energy Wise Rewards™ Program ("EWR") billing credits will operate for customers who participate in both; (3) a pilot program of residential In-Home Displays ("IHDs") to convey detailed energy-usage information and dynamic-pricing signals; and (4) a pilot program to reduce remotely the load of window air-conditioning units. Following the PSC order requesting stakeholder input on Pepco's dynamic-pricing plan, OPC submitted comments to the PSC on December 30, 2013. The Office expressed general support for Pepco's effort to launch a dynamic-pricing program. However, OPC raised a few concerns for the Commission's consideration. These concerns included:

- The need for further evidentiary support for the Peak Energy Savings

Credit amount;

- The limited revenue Pepco would likely secure would unfairly burden D.C. ratepayers;
- Pepco should have considered offering critical peak pricing and hourly pricing as opt-in programs;
- The use of "shadow billing" should have been incorporated and dynamic pricing benchmarks were necessary.

Overall, OPC emphasized that consumers should receive the maximum benefit for their investments in smart meter deployment and be given a range of dynamic-pricing options to incent reduced energy consumption during peak periods.

Engagement in the PJM Interconnection, Inc. Stakeholder Process

PJM Interconnection, LLC is the mid-Atlantic regional transmission organization that manages the grid and coordinates the movement of wholesale electricity in Delaware, Illinois, Indiana, Kentucky, Maryland,

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Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia, and the District of Columbia. PJM is a non-governmental company that is responsible for planning transmission expansions in the mid-Atlantic region, forecasting future loads to be served, maintaining the reliability of the bulk-power system, and administering several energy markets where power is bought and sold to serve load.

Formation of CAPS

In 2013, OPC was involved in the formation of Consumer Advocates of PJM States, Inc. (“CAPS”) which is a non-profit organization established to serve as a resource for all of the consumer advocate agencies in the PJM region and to represent their interests during PJM proceedings. OPC served on the committee which selected the Executive Director of CAPS.

In conjunction with the Office’s participation in CAPS, OPC continued to play an active role in the PJM stakeholder process through its involvement in numerous committees and user groups—such as the Markets

and Reliability Committee, the Members Committee, Capacity Senior Task Force, the Public Interest Environmental Organization User Group and the Regional Planning Process Task Force.

Throughout 2013, OPC closely tracked the treatment of Demand Response (“DR”) in PJM’s capacity markets, which was one of the most discussed topics in the PJM stakeholder process this year. The capacity markets are forward-looking, resource adequacy markets, which compensate power plants and other market participants for energy that may be needed in the future. Capacity markets allow grid operators to plan years in advance to make sure there is enough electricity to meet future load needs. Demand response is end-user customers reducing their electricity use in response to power grid reliability needs, economic signals from the wholesale markets, or special retail-level rates.

DR has experienced a great deal of success in the capacity markets. By most accounts, it has been essential to addressing reliability during periods of peak demand and has been influential

in driving down energy costs for consumers. OPC, along with other consumer advocate offices, opposed PJM proposals to limit DR in favor of generation-based capacity.

Additionally, OPC supported the incorporation of the multi-driver approach to development public policies for transmission line development and cost allocation. The multi-driver approach allows PJM to design projects that address several priorities, such as reliability, economic factors and public policy, in the authorization of transmission projects. Addressing several, yet related, priorities together in the review of future transmission projects should result in more prudent and efficient use of end-user resources.



ENERGY EFFICIENCY AND SUSTAINABILITY DIVISION

New Horizons in Energy Efficiency and Sustainability (*continued*)

Moving forward, this multi-driver approach to transmission projects will be important for the development of large-scale renewable energy projects – such as wind and solar – in furtherance of state and regional sustainability goals.

Representing DC Consumers at the Federal Energy Regulatory Commission

The U.S. Federal Energy Regulatory Commission (“FERC”) is the federal regulatory agency with jurisdiction over interstate electricity sales, wholesale electric rates, natural gas pricing, hydroelectric licensing and oil pipeline rates. Any changes which PJM intends to make to its market rules must first be approved by the FERC. OPC is a party to various proceedings before FERC which have an impact on DC ratepayers. Indeed, rules established in the wholesale marketplace have a direct impact on retail customer utility bills because generation costs make up the majority of ratepayers’ bills. Additionally, it is widely believed that the integration of renewable energy in a way which equitably benefits the economic and environmental well-

being of all consumers will occur at the interstate transmission level. OPC filed comments and pleadings in the following cases in 2013:

- Small Generator Interconnection Procedures (Docket No. RM13-2): In January 2013, the FERC issued a Notice of Proposed Rulemaking to amend its Small Generator Interconnection Procedures (SGIP). The changes to the SGIP were proposed to reduce the cost and timeframe for interconnecting small distributed generation facilities (i.e., solar). Allowing for a more speedy interconnection process will assist in reaching renewable energy standard goals and reduce costs for customers generating their own clean energy through small solar energy systems which also export energy to transmission lines. OPC submitted comments on the proposed changes focusing on the importance of reducing unnecessary costs for consumers. In November 2013, FERC issued its Final Rule which incorporated changes that will reduce costs to consumers and streamline the interconnection process.
- Return on Equity (Docket No. EL13-48): In collaboration with several other consumer advocate offices, on February 27, 2013, OPC filed a challenge to the return on equity of Baltimore Gas & Electric and Pepco Holdings. Consumer advocates argued for the reduction of the return on equity currently allowed for these utilities. In this and other proceedings, consumer advocates contend that FERC should continue to scrutinize transmission rates with full consideration of all relevant factors, including reduced interest rates and other changing economic conditions.
- Clearing of Limited and Extended Summer DR (Docket No. ER14-504): In PJM’s capacity market, Limited DR consists of a 10 calls/6-hour product. Extended Summer DR consists of an unlimited number of calls during May through September. These are considered

ENERGY EFFICIENCY AND SUSTAINABILITY DIVISION

“limited availability” capacity products. Some PJM stakeholders, mainly transmission owners and energy generators, were concerned that these limited availability products pose a risk to reliability because they are not “physical” (generation-based) products that can be guaranteed to deliver three years in advance. However, to date, DR has been very successful in the PJM capacity markets, was pivotal to maintaining reliability during the July and September 2013 hot weather events, and has been instrumental in lowering prices for consumers.

On November 29, 2013, PJM filed its proposal to change the process by which resources clear in the RPM auction and to place a hard maximum cap on the amount of Limited and Extended Summer DR. Currently, in the Reliability Pricing Model (“RPM”), there is a minimum requirement for Extended Summer and Limited DR. On December 20, 2013, OPC and other consumer advocates filed a Joint Protest against PJM’s proposal. OPC and the consumer advocates argued

that PJM has not demonstrated that its proposal would be just and reasonable, particularly given its projected \$1 billion impact on consumers. PJM relied on the assumption that the use of DR resources will have adverse impacts on generation-based capacity resources and this purported negative impact on generation-based resources would then compromise reliability. OPC and the consumer advocates argued that this was a baseless assumption and that approval of PJM’s proposal would, in fact, compromise reliability for consumers.

- Capacity Import Limits (Docket No. ER14-503): On November 29, 2013, PJM submitted its plan to establish limits on capacity sales across PJM borders with other regional transmission organizations (“RTOs”) that mirror limits on capacity transfers that PJM has already established between zones within the PJM network itself. PJM presented this proposal out of a concern that external resources may clear the capacity market auctions but then not take proper steps to ensure that they will be able to deliver the capacity

resources needed in the delivery year. PJM was also concerned about over-commitment of external resources in the auctions which could suppress prices and negatively impact resource adequacy in the PJM region.

On December 20, 2013, OPC and the other consumer advocates filed a Joint Protest of PJM’s filing at FERC. OPC and the consumer advocates generally supported filling in gaps in the rules which address underlying reliability constraints, but insisted that FERC also ensure efficient capacity trade to keep energy consumers’ costs low. Any limits on capacity trade between RTOs should not create unnecessary and costly barriers to entry. Consumer advocates maintained that the primary goal should be efficient trade mechanisms which benefit consumers.

DC Council Passes the Community Renewables Energy Act of 2013

The Community Renewables Energy Act of 2013, Bill No. 20-0057, was passed by the DC Council in October 2013 for the purpose of expanding access to renewable energy to more DC



ENERGY EFFICIENCY AND SUSTAINABILITY DIVISION

New Horizons in Energy Efficiency and Sustainability (continued)

residents. OPC served on the working group which drafted and deliberated on the legislation. This legislation allows renters, homeowners with shaded roofs, condominium owners and others, to receive the benefits of solar energy by removing the barrier of home-ownership for solar participation. Energy consumers would be able to subscribe to a portion of renewable energy from any community energy facility within the District of Columbia (whether onsite or offsite), and receive a deduction on their utility bill corresponding to the amount of renewable energy their portion places on the grid. With the implementation of this law, it is anticipated that there will be growing consumer inquiries about how they can participate in community-shared solar. OPC will continue to engage consumers on how they can financially benefit from participation in renewable energy options such as community solar.

OPC Encourages Cleaning Up DC Renewable Energy Portfolio Standard

In July 2013, the DC Council introduced the Renewable Portfolio Standard Amendment Act of 2013. This

legislation would remove “black liquor” as a qualifying biomass under the District’s Renewable Energy Portfolio Standard (“RPS”) Tier 1 category of renewable sources. Black liquor is an industrial by-product of the pulp and paper industry. Paper mill facilities located outside the District, in states such as Maryland, Ohio, Virginia, Michigan, Pennsylvania and Kentucky, burn black liquor to create electricity. They then sell that energy, in the form of renewable energy credits (“RECs”), to electricity suppliers servicing the District. These RECs are then counted toward the electricity suppliers’ obligation under the RPS. On October 16, 2013, OPC submitted testimony to the DC Council Committee on Government Operations supporting the overall objective of the legislation, given black liquor’s negative impact on public health and the environment, as well as the rising cost of black liquor RECs in the PJM market. Currently, the legislation is still being reviewed by the Committee on Government Operations. If passed, OPC will continue to be engaged with energy stakeholders on how the District

can reach its RPS goals in a cost-effective manner.

OPC Helps Establish New NASUCA Committee on Distributed Energy Resources

During the Summer 2013, OPC worked with the National Association of State Utility Consumer Advocates (“NASUCA”), the Maryland People’s Counsel and the Connecticut Consumer Counsel to form a NASUCA committee focused on distributed energy resources (“DER”). This committee will provide a forum to discuss, evaluate and establish policy regarding various issues surrounding the development of DER resources. These issues include, but are not limited to, benefits and costs, transmission and distribution infrastructure modernization, net energy metering, consumer education and environmental impacts. A central objective of this committee is to be a voice for DER programs that provide quantifiable net benefits for consumers, balanced against increased costs associated with such programs.

ENERGY EFFICIENCY AND SUSTAINABILITY DIVISION

Making Energy Efficiency Real

OPC's Energy Efficiency Workshops ("EEWs") had another bumper-crop year in 2013 educating over a 118 residential, religious, small business, and other District energy users about simple and practical hands-on, energy-efficiency measures and tips that they were able to immediately apply for energy savings.

The Office collaborated with several local and federal government and private groups to present District energy users with a full complement of energy-efficiency measures and tips and energy-efficiency rebates and grants programs available to residents that allowed them to complete some of their energy-efficiency retrofit projects. District energy consumers expressed:

- Increased knowledge about changing their day-to-day behavior regarding how they use energy by incorporating the simple and practical energy-efficiency measures imparted to them at the EEWs;
- Realized energy savings from consciously unplugging their small appliances after each use; changing



Energy Efficiency Outreach Specialist Pamela Nelson educates consumers on home energy efficiency measures.

their interior and exterior lights from incandescent to Compact Fluorescent or Light Emitting Diode light bulbs; using power strips with "shut-on and shut-off" buttons for larger appliances and numerous other energy efficiency measures; and

- Sharing the energy-efficiency measures and tips with their families, friends and others.

OPC's EEWs took its simple and practical energy-efficiency message on the road by convening a panel entitled "Making Energy Efficiency Real for the People" at the National Association

of Consumer Utility Advocates ("NASUCA") November 2013 Annual Meeting. The Office shared its best-practice approach with other NASUCA members for possible use in their respective states. Also, OPC provided attendees at DC's 2013 Green Festival with energy-efficiency education and information for energy-savings benefits.

OPC's EEWs are continuing to empower DC Consumers to take control of their daily energy usage by mindfully using their energy more efficiently for energy savings.

REACHING OUT

OPC Staff Lend a Helping Hand to District of Columbia Families

In addition to its mission of advocating, educating and protecting the interests of utility consumers in the District of Columbia, OPC strongly believes in giving back to District residents through charitable donations and community service. During the 2013 holiday season, OPC partnered with Metropolitan AME Church and the Capital Area Food Bank, which allowed the Office to engage in two such charitable giving initiatives.

The Angel Tree program is a national program that partners with local organizations to provide Christmas gifts for children whose parents are incarcerated. In 2013, the Office partnered with the Metropolitan AME Church to help fulfill the “wish lists” of the children who participate in the Angel Tree program.

OPC staff members generously donated toys, clothes, books and other items to help bring holiday cheer to children and their families. As a result of its partnership with OPC and others, the

Metropolitan AME Church was able to provide gifts to 210 children from 71 different families throughout the District of Columbia.

In addition to its participation in the Angel Tree program, OPC staff members also lent a helping hand to the Capital Area Food Bank. The mission of the Capital Area Food Bank is to “feed those who suffer from hunger in the Washington metro area by acquiring food and distributing it through its network of partner agencies; and educating, empowering and enlightening the community about the issues of hunger and nutrition.”

Over a dozen OPC staff members rolled up their sleeves and helped the Capital Area Food Bank prepare for their December Food Distribution by sorting and preparing family food packages.

Both charitable giving projects allowed OPC staff members to go beyond the scope of the Office’s statute and provide much needed resources to District of

Columbia families. The Office considers it both a privilege and an honor to participate in its annual “Giving Back Campaign” to assist with fulfilling the needs of District residents.

REACHING OUT



OPC Employees Stuff
Holiday Food Packages to Aid
District of Columbia Families



REACHING OUT

Metropolitan African Methodist Episcopal Church
1518 M Street, Northwest
Washington, District of Columbia 20005

Sarah Allen Missionary Society
Love and Peace Unit

March 24, 2014

Ms. Sandra Mattavous-Frye
People's Counsel
Office of the People's Counsel
1133 15th Street NW, Suite 500
Washington, DC 20005

Dear Ms. Mattavous-Frye:

The Sarah Allen Missionary Society Love and Peace Unit, Metropolitan A.M.E. Church, is sincerely grateful for your generosity and continued support of our Project Angel Tree program. This year was an even greater challenge because of the increased need in our community. We are truly thankful for the gifts that all of you gave and for the deliveries that Ms. Linda Jefferson and her son made. Your assistance helped to ensure that our 2013 program was a success.

Through your gifts and the support of our congregation and friends, we were able to fulfill the Christmas wishes and deliver gifts to a total of 210 children from 71 families. Each child received two gifts of the family's choice (a piece of clothing, a fun gift, or gift card(s)), inspirational material, and an invitation to our church.

We thank God for your unselfish spirit of giving and continued support of our work to provide Christmas joy for these children during the holiday season. We pray God blesses your 2014.

Sincerely,

Celeste Garcia, Chair, Sarah Allen Missionary Society Love and Peace Unit

Carolyn McClain and Pamela Waring, Co-Chairs, Angel Tree Program



REACHING OUT

People's Counsel Named 2013 University of the District of Columbia's Advocate for Justice

DC People's Counsel Sandra Mattavous-Frye was named the 2013 University of the District of Columbia (UDC) Advocate for Justice at the University's David A. Clarke School of Law Convocation on Friday, May 10, 2013.

The UDC advocate for Justice Award is given to an alumna who has throughout their career exemplified the mission of the school of law.

Speaking to the 2013 graduating class, Ms. Mattavous-Frye, an alumna of the Antioch School of law which merged in 1996 to become a part of the University of the District of Columbia, praised the experiences she had at the university and the preparation this provided for a career in public interest law. Recounting her decision to attend Antioch, Ms. Mattavous-Frye focused on the schools public service philosophy which includes a requirement for each student to serve several hundred hours of law clinics and was "decidedly different from most "paper chase" legal institutions."

The People's Counsel encouraged the graduating class to hold fast to their vision, integrity and resolve to achieve true greatness in their careers and honor the legacy of the University.

Today, the David A. Clarke School of Law continues to recruit and enroll students from groups traditionally underrepresented in the legal field and focuses on providing a well-rounded theoretical and practical legal education to prepare students to be effective and ethical advocates, particularly with respect to low income and underserved District residents.



FUNDING

AGENCY FUNDING

Source of Funds

Funding for the Office is provided through two sources. The appropriated budget provides for administrative and general operating expenses (rent, salaries, equipment) and is authorized by the District of Columbia in the governmental budget review process. Assessment funds are used to pay the costs of litigation and investigations; These costs are directly assessed to the affected utility. All funds are paid by DC ratepayers.

Operating Budget

Appropriated funds are also used to support such additional activities as: 1) representing the interests of District consumers before the Council, the Congress and federal courts and agencies; 2) conducting independent investigations or audits of utility companies; 3) monitoring the implementation of utility rates; and 4) providing technical assistance to community groups. By law, these funds must be reimbursed to the District by the three regulated utility companies and the alternative energy and

telecommunications providers according to an established formula, outlined in the Public Utility Reimbursement Fee Act, D.C. Code § 34-912(b)(1).

Formal Case Assessments

To fully participate in complex litigation before the Public Service Commission and the courts, the People's Counsel is authorized to retain the professional services of attorneys and expert technical consultants such as economists, accountants and engineers, as needed, to effectively represent D.C. utility consumers. By law, the affected utility company is required to pay the costs of regulatory litigation of the Office through a special franchise tax. This applies to the PSC as well (See D.C. Code § 34-912 (a)(1)). In turn, the law recognizes the utility may include these costs, as well as its own litigation-related expenses, as operating expenses which are an element of rates, and recovered from consumers.

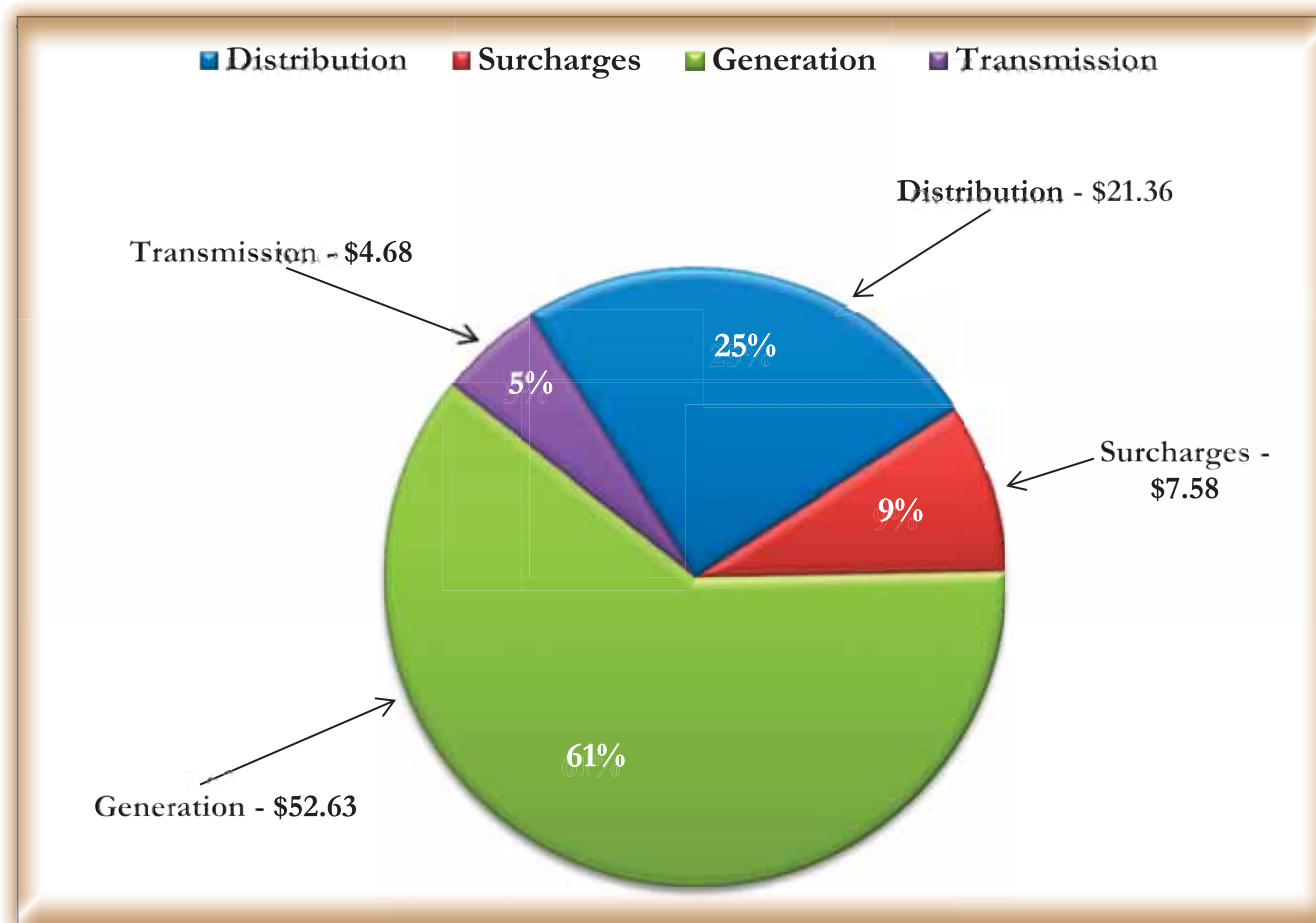
There are monetary limits to the assessments of the utilities by the Office. With respect to rate cases the Office

is permitted to assess no more than a total of one-quarter of one percent of a company's District revenues. With respect to all other cases or investigations (those not involving the setting of rates), the Office is permitted to assess one-twentieth of one percent of all investigations of a company per year. All unused money is returned to the company on an annual basis.



FUNDING

SOS Monthly Bill for An Average Residential “R” Customer - 2013



CONTACT US

Do You Need More Information?

At OPC we are proud of the wide range of quality services we provide to DC utility consumers. If you want to learn more about the Office of the People's Counsel or changes regarding utility services and policies in the District of Columbia, the OPC Speakers Bureau can provide a representative from our office to speak with your community group, tenant association, church, labor or civic group. Our staff can provide information regarding a variety of consumer utility issues such as changes in rates or services affecting consumers. Speakers are available for daytime, evening and weekend meetings, provided the Office is notified early enough to schedule your event. You may contact OPC at:

Phone: 202.727.3071 | TTY/TTD: 202.727.2876 | Fax: 202.727.1014

Email: ccceo@opc-dc.gov | Online: www.opc-dc.gov

Facebook: www.facebook.com/DCPeoplesCounsel

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